

1 LAW OFFICES OF AARON BERGER  
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5 Attorney for Plaintiffs  
TOKI SEN-I CO.

6 **SUPERIOR COURT OF THE STATE OF CALIFORNIA  
7 FOR THE COUNTY OF LOS ANGELES**

8 TOKI SEN-I CO., a company based in Japan,

9 Plaintiff,

10 v.

11 YEEZY APPAREL LLC aka WEST  
12 BRANDS FASHION LLC, a California  
13 Limited Liability Company; KANYE WEST  
14 aka YE aka KANYE OMARI WEST, an  
Individual; and DOES 1-50 INCLUSIVE,

15 Defendant.

16 CASE NO.:

17 **UNLIMITED COMPLAINT FOR:**

- 1. BREACH OF CONTRACT**
- 2. BREACH OF THE IMPLIED  
COVENANT OF GOOD FAITH AND  
FAIR DEALING**
- 3. FRAUD**
- 4. NEGLIGENT  
MISREPRESENTATION**

18 COME NOW, TOKI SEN-I CO., a Japanese Company (hereinafter "Plaintiff"), based on  
19 personal knowledge as to its own conduct and actions, and based upon information and belief as to  
20 all others, who hereby alleges the following:

22 **PARTIES**

- 23 1. Plaintiff TOKI SEN-I CO (hereinafter referred to as "Plaintiff") is, and at all times relevant  
24 hereto was, a Japanese Company actively conducting business within the state of California, county  
25 of Los Angeles.
- 26 2. Defendant YEEZY APPAREL LLC acquired WEST BRANDS FASHION LLC via a

1 merger on December 11, 2017. (A true and correct copy of the recorded Certificate of merger is  
2 attached hereto as "Exhibit A"). YEEZY APPAREL LLC (hereinafter referred to as "YEEZY")  
3 was the surviving Entity. YEEZY is, and at all times relevant hereto was, a California Limited  
4 Liability Company actively conducting business within the State of California, County of Los  
5 Angeles.

6  
7 3. Defendant KANYE WEST aka YE aka KANYE OMARI WEST (hereinafter referred to as  
8 "KANYE") is, and at all times relevant hereto was, an individual residing in the State of California,  
9 County of Los Angeles.

10  
11 4. Defendants YEEZY and KANYE shall collectively be referred to as "Defendants".

12  
13 5. Plaintiff is informed and believes that upon reasonable discovery and sufficient investigation  
14 that Plaintiffs will ascertain facts sufficient to show that KANYE is the alter ego of YEEZY, insofar  
as:

15 a. There exists, and at all times herein mentioned there existed, a unity of interest and  
16 ownership between KANYE on the one hand, and YEEZY on the other hand, such that any  
17 individuality and separateness between them has ceased, and KANYE is the alter ego of  
18 YEEZY.

19 b. KANYE, the sole member of YEEZY, exercised such control and domination over YEEZY  
20 and its business.

21 c. YEEZY was a mere shell and sham without capital, assets, membership interests, or  
22 members other than KANYE.

23 d. YEEZY was intended, conceived, and used by KANYE as a device to avoid individual  
24 liability and for the purpose of substituting a financially insolvent company in the place of  
25 YEEZY.

1 e. YEEZY was so inadequately capitalized that, compared with the business to be done by it  
2 and the risk of loss, its capitalization was illusory or trifling.  
3  
4 f. KANYE was at all times herein mentioned the alter ego of YEEZY and there exists, and at  
5 all times herein mentioned has existed, a unity of interest and ownership between them such  
6 that any separateness has ceased to exist.  
7  
8 g. YEEZY was a mere shell, instrumentally, and conduit through which KANYE carried on its  
9 business, exercising complete control and dominance of such business to such an extent that  
10 any individuality or separateness of YEEZY and KANYE does, and at all times herein  
mentioned, did not exist.

12       6. The true names and capacities of Defendants sued herein as DOE Defendants are presently  
13      unknown to Plaintiffs who therefore sue under these fictitious names. Upon ascertainment of the  
14      true names and capacities of these DOE Defendants, Plaintiffs will seek leave to amend this  
15      Complaint to allege the same. Plaintiffs are informed and based thereon alleges that DOE  
16      Defendants were and/or are, in some manner or way; responsible for and liable to Plaintiffs for the  
17      events, happenings, and damages set forth below.

18      7. Plaintiffs are informed and believe and based thereon allege that at all times relevant hereto  
19      each of the Defendants was the agent, servant, employee, subsidiary, affiliate, partner, assignee,  
20      successor-in-interest, alter ego or other representative of each of the remaining Defendants and was  
21      acting in such capacity in doing the things herein complained of and alleged.  
22

## JURISDICTION AND VENUE

24 8. Jurisdiction and venue are proper in this Court because the amount in controversy exceeds  
25 the minimum by this court, and by virtue of the fact that the Defendants reside in Los Angeles  
26 County.

## **FACTUAL OVERVIEW**

9. Defendants own an apparel brand called Yeezy.

10. Defendants have a co-branding deals with Adidas and Nike to manufacture limited addition shoes under the Yeezy brand.

11. New Yeezy sneakers and boots sell for between \$90 and \$11,400 in the retail market.

12. In 2015, Defendants contracted with Adidas to manufacture fabric for Yeezy shoes.

13. The transaction went smoothly as Adidas and Yeezy paid on time and were satisfied with the final product.

14. Thereafter, Defendants started dealing with Plaintiff independently of Adidas.

15. Defendants ordered several samples and always delivered timely payments to Plaintiff for said samples.

16. This Complaint is brought by Plaintiff seeking payment for services rendered and costs incurred by Plaintiff in connection with a purchase order (hereinafter referred to as the "Purchase Order") made by Defendant for the manufacturing of various materials of fleece fabric to be used for Yeezy shoes. (hereinafter referred to as the "Manufacturing Services"). (A true and correct copy of the Purchase Order is attached hereto as "Exhibit B").

17. Pursuant to the Purchase Order, Defendants agreed to pay \$624,051.76 as consideration for the Manufacturing Services.

18. On June 14, 2018, Defendants contacted Plaintiff via e-mail to place an order and to discuss prices, volume, and delivery time.

19. Thereafter a series of emails followed, wherein Defendants and Plaintiffs negotiated prices and delivery time frames.

20. On June 20, 2018, Defendants emailed the Purchase Order to Plaintiff.

1 21. Plaintiff confirmed receipt of the Purchase Order via email on that same day.

2 22. On June 27, 2018 Plaintiff sent an email to Defendants informing them that

3 production had begun and requesting a partial payment of 50% with the remainder to be paid upon

4 completion of production.

5 23. Defendants responded via email on June 28, 2018, offering Plaintiff a partial

6 payment of 30% to be tendered immediately with the remaining balance to be tendered at the

7 competition of production.

8 24. Plaintiff replied to Defendants' email and accepted Defendant's offer for financing

9 terms of 30% down and the remainder to be paid upon completion of production.

10 25. On July 18, 2018, Defendants sent an email to Plaintiff indicating that they did not

11 intend to perform their obligations pursuant to the Purchase Order.

12 26. At this point, it was too late for Plaintiff to cancel production.

13 27. Plaintiff attempted to mitigate damages by selling the fabric to other buyers but

14 Plaintiff was unsuccessful due to the fact that the fabric was manufactured to Defendants specific

15 requirements for their Yeezy shoes.

16 28. Plaintiff spent the next several months trying to work out an informal settlement with

17 Defendants, during which time Plaintiff had to rent a storage unit to hold the finished fabric at a cost

18 of \$560 per month.

19 29. Defendants continued to represent to Plaintiff that they were interested in working on

20 a resolution.

21 30. It finally became apparent to Plaintiff that Defendants had no interest in resolving the

22 dispute or performing their obligations pursuant to the Purchase Order.

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1 31. Consequently, the instant action became necessary.

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3 **FIRST CAUSE OF ACTION**

4 **BREACH OF CONTRACT**

5 **(Against All Defendants)**

6 32. Plaintiffs repeat and re-alleges each of the preceding Paragraphs and incorporate the  
7 same as if set forth herein at length.

8 33. As alleged above, Defendants submitted a Purchase Order for the production of  
9 various goods in exchange for a total purchase price of \$624,051.76.

10 34. Defendants further agreed to tender 30% of the total purchase price up front as a  
11 down payment and agreed to pay the remainder of the balance of the purchase price upon  
12 completion of production.

13 35. Plaintiffs have performed all conditions required of them pursuant to the Purchase  
14 Order.

15 36. Defendants never tendered the 30% down payment to Plaintiff pursuant to the  
16 Purchase Order.

17 37. Defendants have failed to tender any payment whatsoever, despite the fact that  
18 Plaintiff has completed production pursuant to the Purchase Order.

19 38. As such, Defendants are in breach contact.

20 39. As a proximate result of Defendants' breach of contract Plaintiff has been forced to  
21 incur storage fees in the amount of \$560 per month.

22 40. As a proximate result of Defendant's breach of contract, Plaintiff has suffered  
23 damages in the amount of \$624,051.76 plus interest.

24 41. As a proximate result of Defendant's breach of contract, Plaintiff has suffered, and  
25 will continue to suffer, general and special damages in an amount according to proof at trial

**SECOND CAUSE OF ACTION  
BREACH OF THE IMPLIED COVENANT  
OF GOOD FAITH AND FAIR DEALING  
(Against All Defendants)**

42. Plaintiffs repeat and re-alleges each of the preceding Paragraphs and incorporate the same as if set forth herein at length.

7       43. Every contract imposes upon each party a duty of good faith and fair dealing in its  
8       performance and its enforcement. Carma Developers (Cal.), Inc. v. Marathon Development  
9       California, Inc. (1992) 2 Cal.4th 342, 371–372. There is an implied covenant of good faith and fair  
10      dealing in every contract that neither party will do anything, which will injure the right of the other  
11      to receive the benefits of the agreement. Comunale v. Traders & General Ins. Co. (1958) 50 Cal.2d  
12      654, 658. This implied covenant of good faith and fair dealing requires that no party will do  
13      anything that will have the effect of impairing, destroying, or injuring the rights of the other party to  
14      receive the benefits of their agreement. The covenant implies that in all contracts each party will do  
15      all things reasonably contemplated by the terms of the contract to accomplish its purpose. This  
16      covenant protects the benefits of the contract that the parties reasonably contemplated when they  
17      entered into the agreement.

19 44. Defendants did not act in good faith and did not deal fairly with Plaintiff in  
20 connection with the Purchase Order when they engaged with Plaintiff in negotiations and ultimately  
21 submitted the Purchase Order but refused to accept delivery or tender payment of the finished  
22 product.  
23

24 45. Defendants did not act in good faith and did not deal fairly with Plaintiff when they  
25 agreed to tender a down payment of 30% of the Purchase Price but failed to do so.

26 46. Defendants did not act in good faith and did not deal fairly with Plaintiff when they  
27 continually represented to Plaintiff that they were interested in working out a resolution to the

1 dispute with no intention of actually resolving the dispute.

2 47. As a proximate result of Defendants' breach of this covenant Plaintiff has been  
3 forced to incur storage fees in the amount of \$560 per month.

4 48. As a proximate result of Defendant's breach of this covenant, Plaintiff has suffered  
5 damages in the amount of \$624,051.76 plus interest.

6 49. As a result of Defendants' breaches of this covenant, Plaintiff has suffered general  
7 and special damages in an amount to be determined at trial.

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9 **THIRD CAUSE OF ACTION**  
10 **FRAUD**  
11 **(Against All Defendants)**

12 50. Plaintiffs repeat and re-alleges each of the preceding Paragraphs and incorporate the  
13 same as if set forth herein at length.

14 51. Defendants engaged Plaintiff in negotiations for the manufacturing of fabrics to be  
15 used for the Yeezy shoe line.

16 52. Defendants sent a Purchase Order to Plaintiff and represented to Plaintiff that they  
17 were ordering approximately 53,500 yards of fabric and were going to pay \$10.81 per yard.

18 53. Defendants represented to Plaintiff that they would tender a 30% down payment to  
19 Plaintiff with the remainder of the balance to be paid at completion of production.

20 54. In reliance on Defendants Misrepresentations, Plaintiff contracted with a mill and  
21 began a large scale production.

22 55. Plaintiff's reliance was justified as Plaintiff had worked with Adidas and Yeezy in  
23 the past and payment was never an issue.

24 56. Plaintiff's reliance was further justified as Defendants are a very well-known brand,  
25 run by a famous celebrity, that shows several millions of dollars in revenue.

57. Ultimately, Defendants representations were intentional, false, and fraudulent as Defendants refused to tender payment or accept delivery of the finished product.

58. Defendants intentionally made the false misrepresentations to induce Plaintiff to begin production as soon as possible so that Defendants could decide at a later time if they actually wanted to purchase the fabric without delaying the production.

59. As a proximate result of Defendants' fraudulent conduct, Plaintiff has been forced to incur storage fees in the amount of \$560 per month.

60. As a proximate result of Defendant's fraudulent conduct, Plaintiff has suffered damages in the amount of \$624,051.76 plus interest.

61. As a proximate result of Defendant's fraudulent conduct, Plaintiffs have suffered, and will continue to suffer, general and special damages in an amount according to proof at trial.

62. Finally, pursuant to CAL. CIV. CODE § 3294, Plaintiffs are entitled to punitive damages for the sake of example and by way of punishing the Defendant as they committed fraud on multiple occasions with malice and blatant disregard for the law.

**FOURTH CAUSE OF ACTION  
NEGIGENT MISREPRESENTATION  
(Against Defendants KANYE and YEEZY)**

63. Plaintiffs repeat and re-alleges each of the preceding Paragraphs and incorporate the same as if set forth herein at length.

64. Defendants owed Plaintiff a duty of care not to make false representations that would induce material and detrimental reliance.

65. Defendants engaged Plaintiff in negotiations for the manufacturing of fabrics to be used for the Yeezy shoe line.

66. Defendants sent a Purchase Order to Plaintiff and represented to Plaintiff that they

1 were ordering approximately 53,500 yards of fabric and were going to pay \$10.81 per yard.

2 67. Defendants represented to Plaintiff that they would tender a 30% down payment to  
3 Plaintiff with the remainder of the balance to be paid at completion of production.

4 68. In reliance on Defendants Misrepresentations, Plaintiff contracted with a mill and  
5 began a large scale production.

6 69. Plaintiff's reliance was justified as Defendants are a very well-known brand, run by a  
7 famous celebrity, that shows several millions of dollars in revenue.

8 70. Ultimately, Defendants representations were negligent, false, and material, as  
9 Defendants refused to tender payment or accept delivery of the finished product.

10 71. Thus, Plaintiff relied on Defendants misrepresentations to its detriment.

11 72. Defendants knew or should have known that their representations were false and  
12 would induce material and detrimental reliance.

13 73. As such, Defendants breached its duty of care.

14 74. As a proximate result of negligent misrepresentations, Plaintiff has been forced to  
15 incur storage fees in the amount of \$560 per month.

16 75. As a proximate result of Defendant's negligent misrepresentations, Plaintiff has  
17 suffered damages in the amount of \$624,051.76 plus interest.

18 76. As a proximate result of Defendant's negligent misrepresentations, Plaintiff has  
19 suffered, and will continue to suffer, general and special damages in an amount according to proof  
20 at trial.

21 **WHEREFORE**, Plaintiff prays for the following relief:

22 1. For an order directing specific performance of the Purchase Order;  
23 2. For restitution in an amount to be proven at trial

1       3. For compensatory, special and general damages according to proof;  
2       4. For reasonable attorney's fees according to proof;  
3       5. For reasonable costs of suit and such other and further relief as the Court deems proper;  
4       6. For punitive damages for the sake of example and by way of punishing the Defendants as  
5       they committed fraud with malice and blatant disregard for the law;  
6       7. For pre-judgment and post-judgment interest;  
7       8. For other such relief as the Court deems appropriate.

10      Dated January 24, 2019

LAW OFFICES OF AARON BERGER

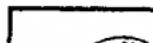


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14      By: Aaron Berger, Esq.  
15      Attorneys for Plaintiffs  
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## EXHIBIT A

NGO



OBE MERG

201732610366  
201532710334



**State of California**  
Secretary of State

## Certificate of Merger

(California Corporations Code sections  
1113(g), 3203(g), 6019.1, 8019.1, 9640, 12540.1, 15911.14, 16915(b) and 17710.14)

**IMPORTANT — Read all instructions before completing this form.**

*cc* This Space For Filing Use Only

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## EXHIBIT B

**PURCHASE ORDER**

15049

**Bill To:** YEEZY APPAREL LLC.  
**C/O:** BOULEVARD MANAGEMENT  
**Attn:** DONTE SMITH  
**Address:** 26630 AGOURA ROAD  
CALABASAS CA 91302  
**Email:** DONTE@YEEZY.COM  
**Phone:** 3102798277

**To:** TOKO SENI  
**Attn:** MARI TAKAYA  
**Address:** 4-4-7, Kawaramachi, Chuo-ku,  
Osaka, 541-0048 Japan  
**Email:** m-takaya@toki-seni.co.jp  
ricardo@dcstudioinc.com  
**Phone:** 81 (0)6 6223 0101

**Date:** 20-Jun-18  
**Ship Via:** GLOBAL LOGISTICS CONSULTING  
**Delivery:** As per each line item below  
**Terms:**

**Ship To:** AA GRAND/NO. 8  
**Attn:** ANTHONY SIM  
**Address:** 706 E. 32ND ST  
LOS ANGELES, CA 90011  
**Email:** ANTHONY@NUMBER8.CO  
**Phone:** 818-621-9194

**SEASON 7 FABRIC PO**

Quantity	Unit	Description	Color	Price	Total
21,595	YDS	PWU-5666 FLEECE OATMEAL MELANGE (W430 OATMEAL HEATHER) 8/10 EX-MILL	TW9 OATMEAL MELANGE	\$ 10.81	\$ 233,441.95
21,595	YDS	PWU-5666 FLEECE OATMEAL MELANGE (W430 OATMEAL HEATHER) 9/10 EX-MILL	TW9 OATMEAL MELANGE	\$ 10.81	\$ 233,441.95
10,306	YDS	PWU-5666 FLEECE OATMEAL MELANGE (W430 OATMEAL HEATHER) 10/10 EX-MILL	TW9 OATMEAL MELANGE	\$ 10.81	\$ 111,407.86
5,200	YDS	RIB 18 (W433 OATMEAL MELANGE)	TW9 OATMEAL MELANGE	\$ 8.80	\$ 45,760.00
58,696				TOTAL	\$ 624,051.76